GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1343
ANSWERED ON:03.03.2000
NEW INDUSTRIAL POLICY
JAGDAMBI PRASAD YADAV

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the programmes launched in rural and tribal areas under new industrial policy;

(b) the names of the States where these programmes have been implemented;

(c) whether rural and tribal areas are getting benefits of these programmes; and

(d) if so, the State-wise number of beneficiaries in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH)

(a) and (b): The Statement on Industrial Policy laidbefore the Parliament on 24th July, 1991 inter-alia provides for industrialisation of the backward areas of the country through appropriate incentives, institutions and infrastructure investments. With this objective in view, the Government have formulated a New Industrial Policy and other concessions for North Eastern Region.The salient features of this policy are:-

i) Expenditure on growth centres subject to a ceiling of Rs.15 crore would be met through central assistance;
ii) Funding pattern for Integrated Infrastructure Development Centres (IIDCs) between Government of India and Small Industries Development Bank of India (SIDBI) changed to 4:1 from 2:3 upto a project cost of Rs.5 croreThe share of the Central Government would be in the nature of grant.
iii) Transport subsidy scheme introduced to promote industries in hilly, remote and in accessible areas has been extended by seven years upto 31.3.2007; the amount is to be disbursed through North-Eastern Development Finance Corporation Ltd.
iv) Industries located in the growth centres would be given capital investment subsidy at the rate of 15% of the investment in plant and machinery, subject to a ceiling of Rs.30 lakh.
v) Growth centres and IIDCs to become tax free zones for income tax and excise duty for a period of ten years.
vi) An interest subsidy of 3% on the working capital loans would be made available for a period of ten years to the new units.
vii) All industrial units set up in the North Eastern region after 24.12.97 and included in Fire Policy ?C? (as per All India Fire Tariff) are eligible for subsidy in the shape of reimbursement of the insurance premium paid by the units, under the scheme.

(c) and (d): The Government have not made any estimates regarding the State-wise number of beneficiaries in this regard.